COASTAL CONSERVANCY

Staff Recommendation June 25, 2015

SANTA CLARA RIVER PARKWAY HANSON PROPERTY RESTORATION

Project No. 00-105-06 Project Manager: Christopher Kroll

RECOMMENDED ACTION: Consideration and possible authorization to disburse up to \$400,000 to The Nature Conservancy for restoration of 238 acres of the "Hanson" property to implement the Santa Clara River Parkway project.

LOCATION: Santa Clara River, unincorporated Ventura County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: Project Location Map

Exhibit 2: Santa Clara River Parkway

Exhibit 3: Hanson Property

Exhibit 4: Critical Habitat

Exhibit 5: Management Units

Exhibit 6: Site Photos

Exhibit 7: Project Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-270 of the Public Resources Code:

"The State Coastal Conservancy (Conservancy) hereby authorizes disbursement of an amount not to exceed four hundred thousand dollars (\$400,000) to The Nature Conservancy (TNC), a nonprofit organization, for the restoration of 238-acres of the "Hanson" property to implement the Santa Clara River Parkway project, subject to the following condition:

Prior to the disbursement of any Conservancy funds, TNC shall submit for review and approval by the Conservancy's Executive Officer:

- a. a detailed work program, including a budget and schedule;
- b. the names of any contractors to be employed on the project;

- c. a sign plan to acknowledge Conservancy funding for the project; and
- d. evidence that all permits and approvals for this project have been issued."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

- 1. The proposed authorization is consistent with Chapter 6 of Division 21 of the Public Resources Code, regarding enhancement of coastal resources.
- 2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
- 3. The Nature Conservancy is a nonprofit organization existing under section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources Code."

PROJECT SUMMARY:

Staff recommends that the Conservancy authorize disbursement of up to \$400,000 to The Nature Conservancy (TNC) for the restoration of a 238-acre portion of the 1000-acre "Hanson-Villanueva" property (the Hanson property) (see Exhibit 1), on the Santa Clara River, consistent with the Conservancy-funded Santa Clara River Parkway project (Parkway project). The Hanson property is one of the Santa Clara River properties acquired by TNC with Conservancy funds as part of the Parkway project (see Exhibit 2 & Project History below). Goals of the Parkway project include:1) conserve and restore aquatic and riparian habitat for native species; 2) provide enhanced flood protection; and 3) provide public access and environmental education within the Parkway project.

The proposed project would ultimately restore and enhance riparian forest, riparian scrub, and alluvial scrub on the Hanson property by removal of non-native invasive vegetation, natural recruitment of native vegetation and active restoration (i.e. planting of native vegetation) along a 5,805 foot stretch of the Santa Clara River (see Exhibit 3). The restored riparian habitat would range from 300 to 650 feet in width along both banks of the river. The project also includes the development of a public access plan for the Hanson property.

The proposed project would be the first large-scale floodplain restoration project in the Parkway project (see below) and the largest restoration project to date on the Santa Clara River. Since the early 1990s, the Conservancy has been involved in planning for the protection and restoration of the Santa Clara River and, since 2000, has been working in partnership with TNC. Since 2000, the Conservancy has provided funding for TNC to acquire properties, including the Hanson property, along the river. The proposed Hanson restoration project would be the first restoration project on the river jointly funded by the Conservancy and TNC.

The proposed project would restore natural floodplain function and riparian habitats and promote the recovery of migratory and resident birds, fish and other aquatic and terrestrial species on the property that is highly degraded due to aggregate mining and the wide-scale establishment of

giant reed that displaces native vegetation (see Exhibit 4). Other smaller TNC restoration projects on the river have resulted in an increase of native species, e.g. the state- and federally-listed endangered least Bell's vireo (*Vireo bellii pusillus*).

The proposed project would: 1) eradicate 40 acres of dense giant reed stands and restore these areas with native riparian forest and riparian scrub; 2) enhance 162 acres of existing native riparian forest and riparian scrub by removing giant reed and other non-native invasive vegetation; and 3) convert 36 acres of heavily disturbed non-native vegetation to native riparian scrub. A detailed restoration plan (the plan) was developed for the Hanson property in 2012. The plan is consistent with the restoration, flood protection, and public access goals of the Parkway project as described in the Santa Clara River Parkway Conceptual Enhancement Plan adopted by the Conservancy in 2000. The plan details specific measures for non-native plant removal and native plant habitat creation, enhancement, and restoration. The plan breaks up the Hanson property into distinct management units with specific measures identified for each unit (see Exhibit 5).

A major component of the project is the removal of the large stands of giant reed that dominate much of the river-fronting portion of the Hanson property. In some areas the giant reed stands make up at least 25% of the area of the management units with some areas consisting of nearly 100% giant reed coverage. Successful removal, including retreatment and maintenance, of large stands of giant reed is very expensive. Costs can range from \$4,000 - \$150,000 per acre depending on the location and how intermixed the giant cane is with native vegetation. Ventura County Watershed Protection District uses a rule of thumb of \$100,000 per acre for giant reed removal and follow-up treatment (no restoration). The approximate cost of giant reed removal and follow-up treatment for the proposed project is \$1,800 per acre for very dense stands and approximately \$4,600 per acre in areas of mixed native vegetation and giant reed where labor-intensive handwork is required. Both estimates are on the low end of the range of costs for similar projects. Total proposed project costs are higher than this cost because they include restoration, planting, irrigation, monitoring and maintenance. Biological monitoring for endangered species also adds to the cost.

TNC is an international non-governmental organization with offices throughout the United States and operating in over 35 countries around the world. TNC has been working to protect the Santa Clara River and its tributaries since 1999 and in 2000 established its L.A.-Ventura Project specifically to focus on: 1) protection and restoration of the Santa Clara River; 2) restoration of the wetlands at Ormond Beach; and 3) securing of wildlife corridors in the region. The Conservancy has worked with TNC along the Santa Clara River for many years, providing funding for several acquisitions by TNC.

Site Description: The Santa Clara River is one of the least altered river systems in all of California and is one of the only river systems in southern California that remains in its natural state without significant channelization. The river flows over 100 miles from the San Gabriel Mountains in Los Angeles County to the Pacific Ocean at the City of Ventura. The watershed provides habitat for numerous threatened and endangered species in addition to being a very significant agricultural area and a source of water for the surrounding communities.

The Hanson property (see Exhibit 6) is located near the City of Santa Paula approximately 11 miles east of the mouth of the Santa Clara River. Aggregate mining was a major activity on the lower Santa Clara River for much of the 20th century. Mining and other activity on the Hanson property have left behind heavily compacted areas, excavated pits, sand and gravel stockpiles, earthen levees, concrete water basins, and old asphalt and concrete road beds. Since mining on the Hanson property ended in the late 1980s, riparian and scrub willow vegetation has been able to re-establish in the river bed. Giant reed dominates large areas of the Hanson property.

The Hanson property includes riparian, active floodplain, and upland habitat areas. A large portion of the project area is designated as Southern Riparian Scrub Natural Community, a sensitive plant community threatened by development, agriculture, and flood control projects. Least-Bell's vireo, a state- and federally-listed endangered species, occurs within the project area. Additionally, southwestern willow flycatchers may also occur on the Hanson property. White-tailed kites, a state fully protected species, have been seen roosting in trees on the Hanson property.

Project History: In 2000, after discussions with river landowners and with the support of the adjoining cities, state and local politicians and environmental groups, the Conservancy proposed the establishment of the Santa Clara River Parkway, which would result in the acquisition and restoration of a 40 mile-long corridor from the mouth of the Santa Clara River to the Ventura County/Los Angeles County line. The Santa Clara River Parkway project was established with two complementary purposes: acquisition and public management of the river corridor to allow for habitat restoration, public enjoyment and environmental education; and restoration of the natural processes of the river to prevent continued flooding and damage to habitat, farmland and public facilities. In 2001, initial funding of \$9.2 million was appropriated by the legislature to the Conservancy for the Parkway project.

At that time, TNC was analyzing the potential to protect the most threatened natural communities of the region. Its scientists having determined the biological significance of the river corridor, TNC began collaboration with the Conservancy to help implement the Santa Clara River Parkway project which will also help to achieve TNC's goals for the ecoregion.

The Conservancy approved the Santa Clara River Conceptual Enhancement Plan and authorized the first acquisition in October 2000. Land acquisition by TNC with Conservancy funds began in March 2001, with the purchase of the 225-acre "Camp" property. TNC has acquired 3,000 acres of land adjacent to the river and approximately 13 miles of river. Using Conservancy funding, TNC acquired the Hanson property in 2004.

In September 2004, the Conservancy authorized \$550,000 for consultant services to prepare a restoration feasibility study for the Santa Clara River Parkway project. The study documents baseline conditions and develops a set of general and site specific restoration strategies, and an assessment of restoration feasibility given existing constraints and implementation and an estimate of management costs. Various levee and berm removal and habitat restoration options

are examined to identify the biological and flood reduction benefits that could result from reconnecting the river to the floodplain.

In April 2008 and October 2010, the Conservancy authorized additional funding to TNC for river parkway acquisitions. Three properties have been acquired since 2008 with Conservancy funding – McGrath (142 acres), Totlcom 1 (101 acres), and Totlcom 2 (22 acres). Since 2001, the Conservancy has granted over \$15 million for acquisitions along the Santa Clara River.

PROJECT FINANCING

Project Total	\$2,819,251
Santa Clara River Trustee Council (USFWS)	<u>\$200,000</u>
Wildlife Conservation Board (grant submitted 12/14)	\$1,009,292
The Nature Conservancy	\$1,209,959
Coastal Conservancy	\$400,000

The anticipated source of Conservancy funds for this authorization is lease revenue from properties in the Santa Clara River Parkway already acquired with Conservancy funding. These properties acquired by TNC are leased back for agricultural purposes pending future restoration. The funds are reserved for uses consistent with the Santa Clara River Conceptual Enhancement Plan approved by the Conservancy on October 26, 2000. Lease revenue may be used for site restoration consistent with the Enhancement Plan and approval of a work program by the Conservancy's Executive Officer. A total of \$5,763,837 has been received to date in lease payments since 2002.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project would be undertaken pursuant to Chapter 6 of the Conservancy's enabling legislation, Public Resources Code Sections 31251-31270, as follows:

Section 31251 provides that the Conservancy may award grants to nonprofit organizations to enhance coastal resources that have suffered loss of natural and scenic values. The proposed project will restore an area along the Santa Clara River, a coastal river, which has been adversely impacted by gravel mining and invasive, non-native vegetation. The project will remove invasive vegetation that has displaced and reduced the quality of the river's native riparian habitat and will restore areas of degraded habitat.

Section 31251.2 states that the Conservancy may award a grant to enhance a watershed resource that is partly outside of the coastal zone in order to enhance the natural or scenic character of coastal resources within the coastal zone. Also the Conservancy may only undertake a project affecting an area partly inside and partly outside the coastal zone if requested by a local public agency or agencies will jurisdiction over the entire project area. The Santa Clara River is a

coastal river that is partly outside of the coastal zone. The proposed project site on the Hanson property is located outside the coastal zone but the proposed project would remove significant areas of invasive, non-native vegetation that adversely impact the habitat value of downstream coastal resources in the coastal zone. The County of Ventura and the City of Santa Paula have expressly requested Conservancy assistance to fund restoration of the Santa Clara River Parkway.

Section 31252 requires that all areas proposed for enhancement are identified in a certified local coastal plan/program or other local plans as requiring public action to resolve existing or potential resource protection problems. Although the proposed project is located outside the coast zone, the proposed project will beneficially affect the habitat value of the downstream coastal resources, which lies under the jurisdiction of the City of San Buenaventura. The proposed project is consistent with its Local Coastal Program, which contains the following policy: Policy 13.1 encourages "preservation of the Ventura and Santa Clara Rivers in their present semi-natural state, and possible restoration to natural conditions."

Consistent with Section 31253, the amount of Conservancy funding for this project was determined based on funding available for Santa Clara River Parkway projects in a special deposit account for lease revenue from Santa Clara River properties purchased with Conservancy funding and leased for agricultural purposes.

CONSISTENCY WITH CONSERVANCY'S 2013 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 4, Objective C** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will preserve and restore fish and wildlife corridors from coastal to inland habitat areas along the Santa Clara River.

Consistent with **Goal 5**, **Objective D** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will preserve and enhance a portion of a significant coastal watershed, the Santa Clara River watershed.

Consistent with **Goal 5**, **Objective E** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will improve fish habitat by removing invasive plant species from the floodplain that adversely impact stream flow. Removal of these invasive plants will also increase in stream habitat complexity for resident and migrating fish and aquatic species.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on October 2, 2014, in the following respects:

Required Criteria

- 1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
- 2. Consistency with purposes of the funding source: See the "Project Financing" section above.
- 3. **Promotion and implementation of state plans and policies:** By funding restoration of the Hanson property, the proposed project will implement the following state plans:
 - California @ 50 Million: The Environmental Goals and Policy Report (Governor's Office of Planning and Research, 2013 Draft). The "Preserve and Steward State Lands and Natural Resources" section calls for working to increase biodiversity and helping natural systems recover from disruption. Action #3 calls for building resilience in natural systems and specifically calls out the need for well-maintained watersheds and floodplains.
 - California Water Action Plan (California Natural Resources Agency, 2014). Goal #4, "Protect and Restore Important Ecosystems," identifies restoration of coastal watersheds as a priority action.
 - California Wildlife Action Plan (California State Department of Fish and Game, 2005). The proposed project will further the following statewide recommended actions: d) the state should increase efforts to restore coastal watersheds; and g) federal, state, and local agencies and nongovernmental conservation organizations, working with private landowners and public land managers, should expand efforts to restore and conserve riparian communities.
- 4. **Support of the public:** The project is supported by Congresswoman Julia Brownley, Senator Hannah-Beth Jackson, and Assemblymember Das Williams (see Exhibit 7).
- 5. **Location:** The Hanson property is located 11 miles from the coast. The proposed project site is located outside the coastal zone but the proposed project would remove significant areas of invasive, non-native vegetation that adversely impact the habitat value of downstream coastal resources in the coastal zone. Eradication of aggressive, invasive plant species will increase stream flow and instream habitat that will benefit resident and migrating fish and aquatic species. The river channel on the Hanson property is used by migrating southern steelhead trout (*Oncorhynchus mykiss*).
- 6. **Need:** The acreage of the proposed restoration project would have to be reduced significantly if Conservancy funding is not available.
- 7. **Greater-than-local interest:** The project site is part of the Santa Clara River Parkway, a regional greenway extending 30 miles from the Pacific Ocean to Sespe Creek.
- 8. **Sea level rise vulnerability:** The project site is located 11 miles from the coast and therefore not vulnerable to sea level rise.

Additional Criteria

- 9. **Urgency:** If Conservancy funds are made available before October 1, 2015, TNC can take advantage of the historic drought conditions and low river flows to access portions of the project area for restoration that are only accessible by crossing the river. Crossing the river during low or no flow conditions reduces wildlife monitoring requirements, thereby increasing the project efficiency and cost effectiveness.
- 10. **Resolution of more than one issue**: The proposed project will address habitat loss, stream flow, flood hazard, groundwater recharge, fire hazard, and public access.
- 11. **Readiness**: A restoration plan for the proposed project is in place and has been reviewed and approved by the FWS, the National Marine Fisheries Service and the CDFW. All required permits and approvals are in hand. TNC has begun related work on another portion of the Hanson property and on neighboring properties and would continue to use the same qualified restoration contractor for the proposed project. As described above in the "Urgency" section, TNC has secured the other necessary funding to provide the required match for the WCB grant.
- 12. **Realization of prior Conservancy goals**: See "Project History" above.
- 13. **Cooperation**: The project would continue a long established partnership between the Conservancy and TNC to establish and now restore the Santa Clara River Parkway.
- 14. **Minimization of greenhouse gas emissions:** The proposed project would be unlikely to result in significant impacts from greenhouse gas emissions because the sources of such emissions will be temporary and of a relatively minor nature. Workers would be housed at local hotels to reduce traffic emissions and carpooling and vanpooling would be used wherever possible to reduce car trips to and from the project site. Major equipment to be used would include a front-end loader or small bobcat and small off-road vehicle (Kubota). The Ventura County Air Pollution Control District calculated exhaust emissions for a small bobcat and Kubota and the expected emissions are less than the operational significance thresholds of 25 pounds per day of Reactive Organic Compounds (ROC) and 25 pounds per day of Nitrogen Oxides (NOx). Restoring the Hanson property may contribute a beneficial effect by sequestering GHGs (carbon) from the atmosphere due to the proposed planting of trees and other vegetation.

CONSISTENCY WITH THE COASTAL ACT:

The proposed project is consistent with the following specific Coastal Act policies:

Public Resources Code Section 30231 states that the "biological productivity and the quality of coastal waters, streams, wetlands, estuaries and lakes appropriate to maintain optimum populations of marine organisms...shall be maintained and, where feasible, restored..." Removal of invasive non-native plant colonies will help restore the biological productivity of the Santa Clara River, a coastal stream.

Public Resources Code Section 30240 states that "environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on

those resources shall be allowed within those areas." The proposed project will restore environmentally sensitive habitat areas by removing invasive non-native plants that have significantly disrupted habitat values on the Santa Clara River, a coastal stream.

The certified Local Coastal Programs of the cities of San Buenaventura and Oxnard and the County of Ventura identify the Santa Clara River as an environmentally sensitive resource that should be protected and restored.

COMPLIANCE WITH CEQA:

As the preliminary review of projects under the California Environmental Quality Act (CEQA), in February 2015, the proposed project was evaluated through the completion of an Initial Study Environmental Checklist (IS) for the project (See 14 Cal. Code of Regs Sections 15060, 15061). The IS evaluation showed that the proposed project does not have the possibility for a significant effect on the environment, as defined under CEQA (See 14 Cal. Code of Regs Section 15382). Thus, staff finds that the proposed project is exempt from CEQA (See 14 Cal. Code of Regs Section 15061(3)).

The proposed project is also categorically exempt from CEQA as it is a minor alteration of land (see 14 Cal. Code of Regs Section 15304) and, as evidenced by the IS, the application of this categorical exemption is not barred by any of the exceptions set forth in 14 Cal. Code of Regs Section 15300.2, especially subsections (a) (location) or (c) (significant effect).

Consistent with Section 15304, the proposed project consists of minor alterations in the condition of land, water, and/or vegetation, which does not involve removal of mature, scenic trees except for forestry and agricultural purposes.

Upon approval, staff will file a notice of exemption for the project.